

## Social Security Administration

## § 418.1240

year you request that we use and will use that information to make an initial determination. If you have not filed your Federal income tax return for the more recent year you request that we use, you must provide us with evidence that is equivalent to a copy of a filed Federal income tax return. Evidence that is equivalent to a copy of a filed Federal income tax return is defined in § 418.1265(c).

### **§ 418.1230 What is the effective date of an income-related monthly adjustment amount initial determination that is based on a more recent tax year?**

(a) When you make your request prior to January 1, 2007, our initial determination is effective on January 1, 2007.

(b) Subject to paragraph (c) of this section, when you make your request during or after 2007 and your modified adjusted gross income for the more recent tax year is significantly reduced as a result of a major life-changing event, our initial determination is generally effective on January 1 of the year in which you make your request. If your first month of enrollment or reenrollment in Medicare Part B is after January of the year for which you make your request, our initial determination is effective on the first day of your Medicare Part B enrollment or reenrollment.

(c) We will make a determination about your income-related monthly adjustment amount for the year preceding the year that you make your request in the limited circumstances explained in § 418.1310(a)(4). When we make a determination for the preceding year, our initial determination is generally effective on January 1 of that year. If your first month of enrollment or reenrollment in Medicare Part B is after January of that year, our initial determination is effective on the first day of your Medicare Part B enrollment or reenrollment.

(d) Our initial determination will be effective January 1 of the year following the year you make your request, when your modified adjusted gross income will not be significantly reduced as a result of one or more of the events described in § 418.1205(a)

through (g) until the year following the year you make your request.

[71 FR 62931, Oct. 27, 2006, as amended at 75 FR 41086, July 15, 2010]

### **§ 418.1235 When will we stop using your more recent tax year's modified adjusted gross income to determine your income-related monthly adjustment amount?**

We will use your more recent tax year's modified adjusted gross income to determine your income-related monthly adjustment amount effective with the month and year described in § 418.1230 and for each year thereafter until one of the following occurs:

(a) We receive your modified adjusted gross income from IRS for the more recent tax year we used or a later tax year;

(b) Your more recent tax year modified adjusted gross income that we used is for a tax year more than 3 years prior to the income-related monthly adjustment amount effective year;

(c) You request we use a more recent tax year based on another major life-changing event as described in § 418.1201; or

(d) You notify us of a change in your modified adjusted gross income for the more recent tax year we used as described in § 418.1240.

### **§ 418.1240 Should you notify us if the information you gave us about your modified adjusted gross income for the more recent tax year changes?**

If you know that the information you provided to us about the more recent tax year that we used has changed, you should tell us so that we can determine if your income-related monthly adjustment amount should be eliminated or adjusted. We will accept new modified adjusted gross income information at any time after your request until the end of the calendar year following the more recent tax year(s) that we used. For us to make a new initial determination using your new modified adjusted gross income information, you must provide evidence as described in § 418.1265 to support the reduction or increase in your modified adjusted gross income. If you amend your Federal income tax return for the more recent

## § 418.1245

tax year we used, we will use the rules in § 418.1150.

### **§ 418.1245 What will happen if you notify us that your modified adjusted gross income for the more recent tax year changes?**

(a) If you notify us that your modified adjusted gross income for the more recent tax year has changed from what is in our records, we may make a new initial determination for each effective year involved. To make a new initial determination(s) we will take into account:

(1) The new modified adjusted gross income information for the more recent tax year you provide; and

(2) Any modified adjusted gross income information from IRS, as described in § 418.1135, that we have available for each effective year; and

(3) Any modified adjusted gross income information from you, as described in § 418.1135, that we have available for each effective year.

(b) For each new initial determination that results in a change in your income-related monthly adjustment amount, we will make retroactive adjustments that will apply to all enrolled months of the effective year.

(c) We will continue to use a new initial determination described in paragraph (a) of this section to determine additional yearly income-related monthly adjustment amount(s) until an event described in § 418.1235 occurs.

(d) We will make a new determination about your income-related monthly adjustment amount when we receive modified adjusted gross income for the effective year from IRS, as described in § 418.1140(d).

### **§ 418.1250 What evidence will you need to support your request that we use a more recent tax year?**

When you request that we use a more recent tax year to determine your income-related monthly adjustment amount, we will ask for evidence of the major life-changing event and how the event significantly reduced your modified adjusted gross income as described in §§ 418.1255 and 418.1265. Unless we have information in our records that raises a doubt about the evidence, additional evidence documenting the major

## 20 CFR Ch. III (4-1-12 Edition)

life-changing event(s) will not be needed.

### **§ 418.1255 What kind of major life-changing event evidence will you need to support your request for us to use a more recent tax year?**

(a) If your spouse died and we do not have evidence of the death in our records, we will require proof of death as described in § 404.720(b) or (c) or § 404.721 of this chapter.

(b) If you marry and we do not have evidence of the marriage in our records, we will require proof of marriage as described in §§ 404.725 through 404.727 of this chapter.

(c) If your marriage ends and we do not have evidence that the marriage has ended in our records, we will require proof that the marriage has ended as described in § 404.728(b) or (c) of this chapter.

(d) If you or your spouse stop working or reduce your work hours, we will require evidence documenting the change in work activity. Examples of acceptable documentation include, but are not limited to, documents we can corroborate such as a signed statement from your employer, proof of the transfer of your business, or your signed statement under penalty of perjury, describing your work separation or a reduction in hours.

(e) If you or your spouse experiences a loss of income-producing property, we will require evidence documenting the loss. Examples of acceptable evidence include, but are not limited to, insurance claims or an insurance adjuster's statement. If the claim of loss is due to criminal fraud or theft by a third party, we will also require proof of conviction for the fraud or theft, such as a court document.

(f) If you or your spouse experiences a scheduled cessation, termination, or reorganization of an employer's pension plan, we will require evidence documenting the change in or loss of the pension. An example of acceptable evidence includes, but is not limited to, a statement from your pension fund administrator explaining the reduction or termination of your benefits.

(g) If you or your spouse receives a settlement from an employer or former employer because of the employer's